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SUBJECT: LOPEZ OBRADOR REVEALS SOME NAMES FOR HIS POTENTIAL FUTURE CABINET

REF: A. MEXICO 618

1B. 05 MEXICO 6432
1C. 05 MEXICO 2800

SUMMARY

11. (SBU) Leading presidential candidate Andres Manuel Lopez Obrador (AMLO) revealed the names of three key potential cabinet members on January 30, in an attempt to calm fears that his economic and foreign policies would be too radical. AMLO said his economic advisor, Rogelio Ramirez de la O (ref B), would be in charge of "economic issues," leaving it unclear as to whether that would be as Secretary of Finance or Economy. AMLO said Juan Ramon de la Fuente, currently the president of the National Autonomous University of Mexico, would be his Secretary of Government, and Jose Maria Perez Gay, a writer and journalist and his foreign affairs advisor, would be his Foreign Secretary.

## RAMIREZ DE LA O FOR FINANCE?

- ¶2. (SBU) In a January 30 interview with Televisa, AMLO said he would designate Rogelio Ramirez de la O to "oversee economic issues." The press has taken this to mean that Ramirez de la O would be AMLO's Finance Secretary. However, it seems more likely that Ramirez de la O would be AMLO's Economy Secretary. Ramirez de la O, who has a PhD in economics from Cambridge, has for years run a private consulting firm, Ecanal, that specializes in advising major corporations operating in Mexico. Although many analysts, as well as Mexican and foreign investors, respect Ramirez de la O and see him as a shrewd social and economic thinker, they don't see him as a future Finance Secretary given his lack of experience in public finance. (Secretary of Finance Francisco Gil Diaz nevertheless gave his vote of confidence, saying Ramirez de la O would be a good candidate for the Finance job as "he is a serious person, a responsible finance man and capable of assuming such a role.")
- 13. (SBU) Some AMLO critics believe Ramirez de la O would be an ideal candidate to occupy Eduardo Sojo's current position as coordinator of public policies in the President's staff. In that role, Ramirez de la O could more directly influence and moderate AMLO's economic policies. Ramirez de la O could serve as an important bridge between AMLO and the

business community, helping to lower the latter's distrust of the populist candidate. Ramirez de la O is also well-respected in political circles.

HEAD OF UNAM TO GOVERNMENT SECRETARIAT

14. (SBU) In the same interview, AMLO said he would choose Juan Ramon de la Fuente, the rector (president) of the National Autonomous University of Mexico (UNAM), as his future Secretary of Government (in charge of domestic security issues, migration, and the Mexican intelligence service, among others). De la Fuente served from 1994 to 1999 as Health Secretary under former President Ernesto Zedillo. He has been UNAM's rector since 1999, beginning his second 4 year term in 2003. De la Fuente was close to former President Zedillo as part of a group of advisors led by Francisco Labastida, the Institutional Revolutionary Party (PRI)'s 2000 presidential candidate. The same group in 2005 proposed de la Fuente as the PRI's alternate candidate for the 2006 presidential elections. De la Fuente gained AMLO's confidence when he defended him during the "desafuero" process (ref C). De la Fuente is a psychiatrist by training.

PEREZ GAY FOR FOREIGN AFFAIRS

¶5. (SBU) Jose Maria Perez Gay (pronounced "Guy"), AMLO's current foreign policy advisor, who served as Ambassador to Portugal at the beginning of the current administration thanks to his ties to former Foreign Affairs Secretary Jorge

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Castaneda, would be Secretary of Foreign Affairs should AMLO win. Perez Gay is a well-known writer and journalist. Although he has served as the cultural attache at the Mexican embassy in Germany and as the cultural counselor at the Mexican embassies in Austria and France in addition to his stint as Ambassador to Portugal, he is not a career diplomat and does not have much experience in foreign policy. Perez Gay has been inconsistent in his pronouncements regarding the relationship with the U.S., saying that the migration issue should be dealt with both "later" and "urgently." He has said his priority is to "o back and restart Mexico's relations with Latin America. Perez Gay has been a constant critic of globalization and neoliberalism's "failure." His support of AMLO partly results from his affiliation as a writer for the leftist daily newspaper La Jornada, which supports AMLO. Perez Gay has a degree in Information Technology Sciences from the Iberoamericana University (Mexico) and a PhD in German studies from the University of Berlin.

MADRAZO AND CALDERON'S RESPONSE TO AMLO

16. (SBU) After AMLO revealed his picks, Felipe Calderon, the candidate for the National Action Party (PAN), called AMLO inconsistent for inviting to his cabinet people he had previously accused of being too close to the PRI. Calderon said he would not yet name is own cabinet, but would focus on identifying the problems that needed to be solved, and then look for the best choices to deal with those issues. On the other hand, Madrazo chose to follow AMLO's lead and said he would consider his current economic advisor, Jose Chavez Presa, an economist and former legislator, for Secretary of Finance if Agustin Carstens, former

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Undersecretary of Finance and current Deputy Managing Director at the IMF, decided to remain in his job in Washington. Other names Madrazo has mentioned as potential

cabinet members are Rosario Green, currently the PRI's General Secretary, and Senator Enrique Jackson.

COMMENT

17. (SBU) Maintaining a solid lead in the polls (ref A), AMLO has used Ramirez de la O as his link to the economic center, while campaigning on promises to govern for Mexico's poor. It remains to be seen how closely AMLO will follow Ramirez de la O's advice. A major daily has already written of the discrepencies between various statements made by AMLO and those of Ramirez de la O on economic issues. Ramirez de la O is now in the position of not only advising his boss, but, as AMLO's most public economic advisor, of defending AMLO's pronouncement's, even if AMLO goes off-message. Although de la Fuente is respected enough to have been considered by several political parties as an alternate presidential candidate, many are not sure how well a psychiatrist will be able to handle very tough domestic security issues. As the leader of UNAM, one of Mexico's most prominent leftist institutions, a behemoth with tens of thousands of Mexico's future leaders and voters as students, de la Fuente represents an important base of support for AMLO's political campaign as well as for his own political ambitions. Whether Perez Gay's pronouncements against neoliberal policies and globalization are genuine or just rhetoric is an open question given his support for former President Salinas, a major proponent of globalization. None of the three are radicals. End comment. GARZA